



PERSONNEL DATA SYSTEMS, INC.

342 MADISON AVENUE

NEW YORK, N.Y. 10017 • (212) 687-1477

December 30, 1971

Mr. Roland Stewart
Executive Director
Business & Industrial Coordinating Council
46 Branford Place
Newark, New Jersey 07102

Dear Mr. Stewart:

Your attention is directed to our letter of
December 28 regarding payment to you.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Michael I. Youchah".

Michael I. Youchah
Vice President/General Manager

MIY/my

business and industrial coordinating council



46 BRANFORD PLACE • NEWARK, NEW JERSEY 07102 • AREA CODE 201 622-0272

ROLAND E. STEWART, EXECUTIVE DIRECTOR

December 29, 1971

ADP-Personnel Data Systems
342 Madison Avenue
New York, New York 10017

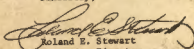
Gentlemen:

The following is submitted for payment to Business & Industrial
Coordinating Council:

\$ 1,786.77 for the period of Oct. 16, 1971 to Oct. 31, 1971
3,573.54 for the period of Nov. 1, 1971 to Nov. 30, 1971
3,573.54 for the period of Dec. 1, 1971 to Dec. 30, 1971
\$ 8,933.85 Total

Please make check payable to BICC.

Sincerely,



Roland E. Stewart
Executive Director

RES/km



PERSONNEL DATA SYSTEMS, INC.

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December 28, 1971

Mr. R. Stewart, Director
Business & Industrial Coordinating Council
46 Branford Place
Newark, New Jersey

Dear Roland:

We have recently completed a review of our project with the OEO Project Office and Research and Evaluation Office in Washington, D.C. Many questions were raised relating to the progress of the Project. Of primary concern were (1) the rate of flow of job applicants; (2) job development and (3) the large numbers in "pending referral" status through November 1971.

Some doubt was expressed about being able to meet all of the obligations under the Contract within the permissible time limitations. It was suggested to ADP-PDS that it may be necessary to extend the contracted time without additional funds to meet the contractual performance requirements as contained in our Statement of Work, copies of which have been provided for you.

Therefore, we must proceed on a performance basis for all work performed including the portion of the work for which BICC has assumed responsibility.

The funding being provided for BICC is for 2½ full time professionals, 1 full time clerk/teletype operator, fringe benefits and overhead. This provides for 122½ hours a week based on your 35 hour work week. Using the results of your time study as cited on page 3 of your memorandum to ADP-PDS of September 23, 1971 there are 114 hours related to OEO/ADP-PDS operations so that your time requirements are more than adequately covered.

December 28, 1971

In order to arrive at an equitable arrangement for both ADP-PDS and BICC we have used your numbers to derive a payment formula which is performance based and therefore covers any possible extension of the time period with no added funding. Of the total 114 hours, processing people includes 20 hours for SICL administration and 44 hours for interview and referrals. The JOCL collection comprises 40 of 114 hours; with 10 of the 114 hours devoted to administration.

The people processing total therefore is 64/114 and JOCL collection 40/114 of the total time. By allocating the administrative time proportionately to people and JOCLs on a 6 and 4 basis the final ratio becomes 70/114 for people and 44/114 for JOCLs or 61.5% for people and 38.5% for JOCLs. Considering funding of \$32,161.86 for BICC's participation in the project to process 1200 people, there is \$26.80 per capita.

By application of the ratios developed above this results in \$16.48 for each job applicant processed and \$10.32 for each job developed and profiled.

By applying these rates to performance to date and by continued use of the rates in the future we can be assured of having funding required in the event that the contract period is extended.

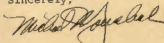
This formula will begin for the month of December 1971 and for all future work with payments made based on numbers of copies of printouts for job matches and copies of JOCLs added to the Job Register. For the work performed up to the close of November 1971 the full \$26.80 rate will be applied. The total amount paid by ADP-PDS to BICC to date is \$12,820.62. Of this amount \$2100.00 was provided for "start up" costs which when deducted from total payments leaves \$10,720.62 for operations. For 292 people processed times \$26.80 the total earned is \$7825.60 resulting in a credit due ADP-PDS of \$2895.02.

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The total to be paid to BICC is the same amount for the work to be performed, \$32,161.86. We will of course, make the adjustment of \$1.86 for $1200 \times 26.80 = \$32160.00$. We are certain tht you can understand our position since the number processed for August - September was 188 people and October - November 104, with the trend going down rather than up.

The performance basis outlined above will provide your organization with the incentive to perform since you can accrue the full amount in a shorter period of time thus increasing monthly income while giving ADP-PDS the assurance that we can meet our contractual obligations.

Sincerely,



Michael I. Youchah
Vice President/General Manager

MIY/moy